

**COLYELL COMMUNITY WATER ASSOCIATION, INC.
LIVINGSTON, LOUISIANA**

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2025



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

A Professional Accounting Corporation



**Colyell Community Water Association, Inc.
Livingston, Louisiana**

Table of Contents
December 31, 2025

	<u>Statement</u>	<u>Page</u>
Independent Auditor’s Report.....		2
Statement of Financial Position	A	5
Statement of Activities.....	B	6
Statement of Cash Flows	C	7
Notes to the Financial Statements.....		8
Supplementary Information:		
Schedule of Water Rates and Customers.....		17
Schedule of Aggregate Dollar Billed for Services and Average Monthly Billing Per User.....		17
Schedule of Insurance Policies		17
Schedule of Compensation Paid to Board Members		18
Schedule of Compensation, Benefits, and Other Payments to Agency Head		18
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		20
Schedule of Current Year Audit Findings and Responses.....		22

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A P R O F E S S I O N A L A C C O U N T I N G C O R P O R A T I O N

Independent Auditor's Report

To the Board of Directors
Colyell Community Water Association, Inc.
Livingston, Louisiana

Opinion

We have audited the accompanying financial statements of Colyell Community Water Association, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Colyell Community Waterworks Association, Inc. as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Colyell Community Water Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Colyell Community Water Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of Colyell Community Water Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Colyell Community Water Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 17 through 18 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2026, on our consideration of Colyell Community Water Association, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Colyell Community Water Association, Inc.'s internal control over financial reporting or on compliance. That report is a consideration of Colyell Community Water Association, Inc.'s internal control over financial reporting and compliance.

Chris Johnson

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Albany, Louisiana
March 24, 2026

**Colyell Community Water Association, Inc.
Livingston, Louisiana**

Statement A

**Statement of Financial Position
December 31, 2025**

Assets

Current Assets:

Cash and Cash Equivalents	\$ 191,125
Accounts Receivable, Net	8,955
Unbilled Sales	65,371
Inventory	1,200
Prepaid Expenses	13,203
Total Current Assets	279,854

Restricted Assets:

Cash and Cash Equivalents	295,931
Total Restricted Assets	295,931

Property, Plant and Equipment:

Land	27,033
Construction in Progress	202,624
Property and Equipment, Net	1,400,612
Total Property, Plant and Equipment	1,630,269

Total Assets	\$ 2,206,054
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Liabilities and Net Assets

Current Liabilities:

Accounts Payable	\$ 3,724
Loan Issuance Payable	59,000
Unearned Utility Revenues	11,425
Notes Payable-Current Portion	17,000
Total Current Liabilities	91,149

Noncurrent Liabilities:

Member's Deposits	68,249
Notes Payable-Long Term	48,920
Total Noncurrent Liabilities	117,169
Total Liabilities	208,318

Net Assets:

Without Donor Restrictions	1,997,736
Total Net Assets	1,997,736
Total Liabilities and Net Assets	\$ 2,206,054

The accompanying notes are an integral part of this statement.

**Colyell Community Water Association, Inc.
Livingston, Louisiana**

Statement B

**Statement of Activities
For the Year Ended December 31, 2025**

	Without Donor Restrictions
Operating Revenues:	
Water Sales	\$ 517,181
Penalties	13,799
Connections	19,286
DHH Fees	15,489
Miscellaneous	7,118
Total Operating Revenues	572,873
 Operating Expenses:	
Accounting & Legal	19,753
Advertising	350
Bad Debt	-
Bank Charges	1,857
Contract Labor	17,933
Depreciation	105,573
Dues and Subscriptions	777
Fuel	9,500
Insurance	25,017
Office Expenses	2,474
Payroll Taxes	11,645
Postage and Shipping	5,674
Professional Fees	6,087
Repairs and Maintenance	28,343
Safe Drinking Water	9,334
Salaries	145,136
Software	1,195
Supplies	20,575
Taxes & Licenses	106
Telephone and Utilities	30,403
Total Operating Expenses	441,732
 Operating Income	 131,141
 Nonoperating Revenue and (Expenses):	
Donated Asset - Livingston Parish Government	38,791
Forgiveness of DHH Loan	102,809
Interest Income	17,998
Interest Expense and Fees	(3,148)
Total Nonoperating Revenues (Expenses)	156,450
 Change in Net Assets	 287,591
Net Assets, Beginning	1,710,145
Net Assets, Ending	\$ 1,997,736

The accompanying notes are an integral part of this statement.

**Colyell Community Water Association, Inc.
Livingston, Louisiana**

Statement C

**Statement of Cash Flows
For the Year Ended December 31, 2025**

Cash Flow From Operating Activities:

Operating Income	\$ 131,141
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Depreciation	105,573
Changes in Current Assets and Liabilities:	
(Increase) Decrease in Receivables, Net	3,266
(Increase) Decrease in Unbilled Sales	(8,425)
(Increase) Decrease in Prepaid Expense	(188)
Increase (Decrease) in Accounts Payable	(229)
Increase (Decrease) in Member's Deposits	-
Net Cash Provided by Operating Activities	231,138

Cash Flow From Investing Activities:

Interest Income	17,998
Purchase of Fixed Assets	(336,246)
Net Used by Investing Activities	(318,248)

Cash Flows From Capital and Related Financing Activities:

Loan Proceeds from Louisiana Department of Health	209,815
Loan Issuance Costs	(34,065)
Payment of Principal	(17,000)
Payment of Interest	(2,470)
Net Cash Provided by Capital and Related Financing Activities	156,280

Net Increase in Cash and Cash Equivalents 69,170

Cash and Cash Equivalents, Beginning of Year	417,886
Cash and Cash Equivalents, End of Year	\$ 487,056

Reconciliation of Cash and Cash Equivalents to Statement of Financial Position:

Cash and Cash Equivalents, Unrestricted	\$ 191,125
Cash and Cash Equivalents, Restricted	295,931
Total Cash and Cash Equivalents	\$ 487,056

Supplemental Disclosure of Cash Flow Information:

Cash paid during the year for interest and admin fees were	\$ 2,470
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The accompanying notes are an integral part of this statement.

Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

Business Organization

Colyell Community Water Association, Inc. ("the Association") was incorporated on May 21, 1973, as a nonprofit corporation. The Association was organized to provide water distribution services to residents of the Colyell Community in Livingston Parish. At December 31, 2025, Colyell provided service to a total of 1,167 Customers.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The Association is required to report information regarding the financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

B. Basis Accounting

The financial statements of Colyell Community Water Association, Inc. are maintained on an accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. This method recognizes revenues when earned, and expenses when incurred.

C. Water Sales

ASU 2014-09, Revenue from Contracts with Customers, or Accounting Standards Codification Topic 606 ("ASC 606"), which supersedes the revenue recognition requirements in ASC 605, Revenue Recognition ("ASC 605") is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The accounting guidance also requires additional disclosure regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts including significant judgments and changes in judgments, as well as assets recognized from costs incurred to obtain or fulfill a contract. Revenue from contracts with members for monthly water sales is reported at the amount that reflects the consideration to which the Association expects to be entitled in exchange for providing water to its customers. Revenue is recognized as performance obligations are satisfied, which is on a monthly basis, as billed. Generally, the Association bills members on the 1st day of each month and amounts being due by the 14th of each month.

D. Accounts Receivable

Accounts Receivable are stated at unpaid balances, less an allowance for doubtful accounts.

E. Income Taxes

The Association files income tax returns in the U.S. federal jurisdiction. The Association is a non-profit association formed under Section 501(C) 12 of the Internal Revenue Code. With few

Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

exceptions, the Association is no longer subject to federal income tax examinations by tax authorities for years before 2022. Any interest and penalties assessed by income taxing authorities, if any, are not significant and would be included in the Statement of Activities.

F. Property, Plant and Equipment

Property, plant and equipment are stated at cost and do not purport to represent replacement or realizable values. The cost of depreciable property, plant and equipment is charged to earnings over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expenses as incurred; expenditures for renewals and betterments of \$500 or more are generally capitalized. When properties are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized. Depreciation of all depreciable property, plant and equipment is computed using the straight-line method over the following lives:

<u>Description</u>	<u>Estimated Lives</u>
Water System	10 - 40 Years
Equipment	5 - 10 Years
Land	Not applicable

G. Compensated Absences

Because of the immateriality of estimating compensating absences, the water system has not attempted to accrue a liability for them.

H. Statement of Cash Flows

For the purposes of the statement of cash flows, Colyell Community Water Association, Inc. considers all bank accounts and certificates of deposit with an initial maturity of ninety days or less when purchased to be cash equivalents for purposes of reporting cash flows.

I. Restricted Assets

Certain resources set aside for the repayment of the notes payable and a capital addition and contingency account, are classified as restricted assets because their use is limited by applicable bond covenants.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

K. Inventory

Inventories are stated at the lower of cost or market determined by the first-in, first-out method. Inventories consist of chemicals and water supplies.

L. Investments

The Association maintains investments in the Louisiana Asset Management Pool (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of Louisiana to operate as a local government investment pool. LAMP invests its assets only in securities and other obligations permissible under Louisiana law for local governments. Investments in LAMP are highly liquid and are considered to be cash equivalents.

M. Concentration of Credit Risk

Financial instruments that potentially subject the Association to concentration of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2025, all accounts were insured by the FDIC.

2. Financial Assets and Liquidity Resources

As of December 31, 2025, financial assets and liquidity resources available within one year for general expenses such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt, were as follows:

Financial Assets:

Cash & Cash Equivalents	\$ 191,125
Accounts Receivable, Net	8,955
Total Financial Assets Available within One Year	<u>200,080</u>

Total Financial Assets and Liquidity Resources

Available within One Year	<u>\$ 200,080</u>
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Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

3. Investments

Investments held at December 31, 2025 consist of \$443,196 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by the Louisiana Asset Management Pool, Inc., a non-profit corporation organized under the laws of the state of Louisiana. The primary objective of LAMP is to provide a safe environment for the placement of funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The Association records its LAMP deposits within cash and cash equivalents.

4. Restricted Assets

At December 31, 2025, the Association had restricted assets as follows:

Debt Service Sinking Account	\$ 104,845
Debt Service Reserve Account	44,872
Capital Additions and Contingencies Account	59,569
Customer Deposit Account	86,645
	<u>\$ 295,931</u>

The Association is required to have separate bank accounts for the Debt Service Sinking, Debt Service Reserve, and the Capital Additions and Contingencies Account.

5. Receivables

The following is a summary of receivables at December 31, 2025:

	<u>Beginning</u>	<u>Ending</u>
Accounts Receivable	\$ 4,037	\$ 11,455
Allowance for Uncollectible Accounts	(2,500)	(2,500)
Net Accounts Receivable	<u>\$ 1,537</u>	<u>\$ 8,955</u>

Estimated unbilled sales are recognized at the end of each fiscal year on a pro-rata basis. The estimated amount is equal to one hundred percent of the January 1, 2025, billing and one half of the February 1, 2025 billing. Accrued unbilled sales totaled \$65,371 at December 31, 2025.

Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

6. Property, Plant and Equipment

A summary of the changes in property, plant and equipment follows:

	Balance December 31,				Balance December 31,	
	2024	Additions	Deletions		2025	
Capital Assets:						
Land	\$ 27,033	\$ -	\$ -		\$ 27,033	
Construction in Progress	11,085	191,539	-		202,624	
Computers & Software	5,351	-	-		5,351	
Vehicles	58,620	-	-		58,620	
Equipment	132,566	46,822	-		179,388	
Furniture	554	-	-		554	
Water System	2,761,845	136,676	-		2,898,521	
Fence	13,015	-	-		13,015	
Building	99,327	-	-		99,327	
Total Capital Assets	<u>3,109,396</u>	<u>375,037</u>	<u>-</u>		<u>3,484,433</u>	
Less Accumulated Depreciation	<u>(1,748,591)</u>	<u>(105,573)</u>	<u>-</u>		<u>(1,854,164)</u>	
Total Capital Assets, Net	<u>\$ 1,360,805</u>	<u>\$ 269,464</u>	<u>\$ -</u>		<u>\$ 1,630,269</u>	

Depreciation expense for the year ended December 31, 2025, was \$105,573.

7. Notes Payable

The Association entered into a loan agreement with the State of Louisiana for construction costs and upgrades to the Association's water system. The Association has pledged revenues derived from these assets to pay the debt service of these loans. On March 1, 2009, the Association borrowed \$899,732. This loan is collateralized by the receivables, land and water system improvements of the Association. The Association reduces the long-term portion of the debt on the statement of financial position by the unamortized debt issuance cost of \$2,032 as required by FASB ASC 835-30.

Description/Purpose	Original Amount	Interest Rate	Final Maturity	Balance December 31, 2025
2009 Expansion of Water System	\$ 899,732	3.45%	July 1, 2028	\$ 54,011

Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

On December 8, 2025, the Association entered into a loan agreement with the Louisiana Department of Health and issued its Promissory Note, Series 2025, in an amount not to exceed \$3,930,000 to finance the construction and acquisition of improvements, extensions, and replacements to the water system.

The loan was issued through the State of Louisiana's Drinking Water Revolving Loan Fund program, which is funded in part by capitalization grants from the United States Environmental Protection Agency. Loan proceeds are disbursed to the Association in installments as project costs are incurred. Upon each draw, 49% of the amount drawn is immediately and irrevocably forgiven, up to a maximum forgiveness of \$1,925,700. No interest accrues on the forgiven portion.

During 2025, the Association received loan proceeds of \$209,815 for bond issuance costs and engineering fees. Of this amount, \$102,809 was forgiven in accordance with the loan agreement. The remaining \$107,006 represents the outstanding loan balance at December 31, 2025. The Association reduces the long-term portion of the debt on the statement of financial position by the unamortized debt issuance cost of \$93,065 as required by FASB ASC 835-30.

The loan bears interest at 1.95% and is payable over 30 years. The first principal payment is due in December 2026.

Changes in Long-Term Debt: Long-term debt liability activity for the year ended December 31, 2025, are as follows:

	Balance December 31.			Balance December 31, Due Within One Year	
	2024	Additions	Reductions	2025	One Year
2009 Loan	\$ 71,011	\$ -	\$ 17,000	\$ 54,011	\$ 17,000
2025 Loan	-	209,815	102,809	107,006	-
	<u>71,011</u>	<u>209,815</u>	<u>119,809</u>	<u>161,017</u>	<u>17,000</u>

The debt service requirements to maturity for the 2009 DHH loan are as follows:

Year Ending December 31,	Principal	Interest	0.5% Admin. Fee	Total
2026	\$ 17,000	\$ 1,863	\$ 270	\$ 19,133
2027	18,000	1,277	185	19,462
2028	19,011	656	95	19,762
	<u>\$ 54,011</u>	<u>\$ 3,796</u>	<u>\$ 550</u>	<u>\$ 58,357</u>

Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

Compliance with Loan Covenants

So long as the Note is outstanding, the Company through its Board of Directors obligates itself to fix, establish, maintain, levy and collect such rates, rents or other charges for services and facilities of the System and all parts thereof and to revise the same from time to time whenever necessary to always provide user fees in each fiscal year sufficient to meet all requirements of the Loan Documents and at least to:

- a) pay the reasonable and necessary expenses of operating and maintaining the system in such Fiscal Year
- b) pay all the principal and interest maturing on any prior lien obligations in each Fiscal Year
- c) pay all the principal and interest and the Administrative Fee maturing on the Note in each Fiscal Year and make all required deposits to the funds and accounts to the extent that such payments are not provided for from other sources of pledged revenues
- d) provide an additional amount equal to at least one hundred twenty-five percent (125%) of the principal and interest maturing on the Note in each Fiscal Year

The Association did provide an additional amount equal to at least one hundred twenty-five percent of the principal and interest maturing on the note for December 31, 2025.

8. Members' Deposits

Members' deposits are paid by customers upon application for utility services and are returnable to them upon termination of service. The Association has established a separate bank account for member deposits.

At December 31, 2025, Members' Deposits amounted to \$68,249. The Association has deposited funds in a separate restricted LAMP account of \$85,171 and a restricted bank accounts of \$1,473 at December 31, 2025.

9. Compensated Absences, Pension Plan, and Other Postemployment Benefits

At December 31, 2025, the Association has no plan or provision for pension plan or other post-employment benefits.

10. Risk Management

The Association is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the Association maintains commercial liability and surety bond insurance policies. There were no significant reductions in insurance coverage during the year ending December 31, 2025.

Colyell Community Water Association, Inc.
Livingston, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 2025

11. Subsequent Events

The Association evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through March 24, 2026, the date the financial statements were available to be issued and are disclosing the following subsequent events:

The Association bid out in October 2025, to repair one of its wells. The low bidder's amount was \$2,063,000. Work is expected to begin in 2026 and will be paid for with the Promissory Note, Series 2025.

Supplementary Information

Colyell Community Water Association, Inc.
Livingston, Louisiana
For the Year Ended December 31, 2025

Schedule of Water Rates and Customers

Residential	1,145	0-2,000 Gallons	\$19
		Over 2,000 Gallons	\$4.00 per 1,000 gallons
Commercial	22	0-10,000 Gallons	\$32
	1,167	Over 10,000 Gallons	\$4.00 per 1,000 gallons

**Schedule of Aggregate Dollar Billed for Services and
Average Monthly Billing Per User**

Water Sales	\$ 511,481
Total Operating Revenues	\$ 585,171
Average Monthly Billing Per Customer	
Water Sales Average Monthly Billing Per User	\$ 37.59
Total Operating Revenue Average Monthly Billing Per User	\$ 43.00

Schedule of Insurance Policies

Insurance Company	Coverage	Period
Louisiana Workers Compensation Corporation	Workers' Compensation	07/28/25 - 07/28/26
C N A	Surety Bond	03/22/25 - 03/22/26
Hughs Insurance	Directors and Officers Liability	05/24/25 - 05/24/26
Hughs Insurance	General Liability	11/14/25 - 11/14/26
Hughs Insurance	Property Insurance	06/23/25 - 06/23/26
Farm Bureau	Fire Policy	07/08/25 - 07/08/26
Farm Bureau	Vehicle Policy	01/20/25 - 07/20/26
Farm Bureau	Vehicle Policy	11/14/25 - 5/14/26
Farm Bureau	Equipment Utility Trailer	11/13/25 - 05/13/26
Farm Bureau	Equipment Back Hoe	06/18/25 - 06/18/26

**Colyell Community Water Association, Inc.
Livingston, Louisiana
For the Year Ended December 31, 2025**

Schedule of Compensation Paid to Board Members

Board Member	2025
Hulon Taylor	\$ 2,400
Charles McCon	\$ 2,450
Carlton Toby McCon	\$ 1,375
Daniel Piper	\$ 2,350
Otis Taylor	\$ 1,475
Kenneth Roshto	\$ 1,850
William Ricky Wheat	\$ 1,450

**Schedule of Compensation, Benefits and Other
Payments to Agency Head**

Manager: Michelle T. Sanders

Purpose	Amount
Salary	\$ 38,158
Total Payments	\$ 38,158

Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance And
Other Matters Based on an Audit of Financial
Statements Performed in Accordance with
Government Auditing Standards

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A PROFESSIONAL ACCOUNTING CORPORATION

**Independent Auditor's Report On Internal Control Over Financial
Reporting And On Compliance And Other Matters Based On
An Audit Of Financial Statements Performed
In Accordance With *Government Auditing Standards***

To the Board of Directors
Colyell Community Water Association, Inc.
Livingston, LA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Colyell Community Water Association, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated March 24, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Colyell Community Water Association, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Colyell Community Water Association, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Colyell Community Water Association, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Colyell Community Water Association, Inc.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Colyell Community Water Association, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Board of Directors, and the Office of the Legislative Auditor, State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully Submitted,

Chris Johnson

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Albany, Louisiana
March 24, 2026

**Colyell Community Water Association, Inc.
Livingston, Louisiana**

**Schedule of Current Year Audit Findings and Responses
For the Year Ended December 31, 2025**

We have audited the basic financial statements of Colyell Community Water Association, Inc. as of and for the year ended December 31, 2025 and have issued our report thereon dated March 24, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2025 resulted in an unmodified opinion.

Section I. Summary of Auditor's Report

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness, No Significant Deficiencies, No

Compliance

Compliance Material to Financial Statements, No

b. Federal Awards – Not subject to Uniform Guidance Audit

Was a management letter issued? No